

AGENDA



Thursday, August 7, 2008

**Public Works
RECOMMENDATION FOR COUNCIL ACTION****Item No. 21**

Subject: Approve a resolution authorizing negotiation and execution of an Advance Funding Agreement with the Texas Department of Transportation (TxDOT) in the amount of \$1,360,975.22 to provide funds for construction of roadway improvements along the I-35 southbound frontage road at Southpark Meadows Retail Center south of East Slaughter Lane.

Amount and Source of Funding: Funding will be submitted to the City by SP Meadows South, Ltd. for deposit into escrow pending future payment to TxDOT to initiate this project.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Ronnie Bell 974-7015, Robin Field 974-7064

MBE/WBE: Related to item #20

SP Meadows South, Ltd., a commercial real estate development company, has requested that roadway improvements, including auxiliary lanes, storm drains, curb & gutter and associated ancillary improvements, be constructed along the I-35 southbound frontage at its Southpark Meadows Retail Center south of East Slaughter Lane. Because the proposed improvements are in State (Texas Department of Transportation or TxDOT) right-of-way, it is necessary that the State implement the construction project. \$1,360,975.22 and \$114,560.78 in fees and contingency will be submitted to the City of Austin by SP Meadows South, Ltd. for deposit into escrow pending future payment to Texas Department of Transportation for this project.

TxDOT requires that construction of improvements in State right-of-way requested by a private entity be sponsored and paid for by a local government. Therefore, it is necessary for the City to enter into an agreement with the developer to receive their funds for the project, and to enter into a separate agreement with TxDOT to provide funds received from the developer for the project. This advance funding agreement provides for payment of project costs to TxDOT by the City. Such payment(s) will be from funds received from the private developer.

The agreement with the State is for \$1,360,975.22 consisting of the change order amount of \$1,145,607.82 plus TxDOT construction engineering and inspection costs, direct costs, and indirect costs as provided by TxDOT in the amount of \$215,367.40. The City will be billed based upon TxDOT's actual construction costs and the City may make any necessary additional payments from the escrowed contingency funds. SP Meadows South, Ltd. will be responsible for funding any additional costs above the change order and contingency amount incurred by TxDOT.